

# Senate Study Bill 3221 - Introduced

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
GOVERNMENT OVERSIGHT BILL  
BY CHAIRPERSON PETERSEN)

## A BILL FOR

1 An Act concerning government accountability and employment  
2 practices, making penalties and remedies applicable, and  
3 including effective date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

PERSONNEL SETTLEMENT AGREEMENTS

Section 1. NEW SECTION. 70A.35 Personnel settlement agreements — public employers.

1. For purposes of this section:

*a. "Personnel settlement agreement"* means a binding legal agreement between an employee and the employee's state employer to resolve a personnel dispute including but not limited to a grievance. *"Personnel settlement agreement"* does not include an initial decision by an employee's immediate supervisor concerning a personnel dispute or grievance.

*b. "State employer"* means any of the following:

(1) The executive branch of state government, to include a unit of state government, which is an authority, board, commission, committee, council, department, or independent agency as defined in section 7E.4, including but not limited to each principal central department enumerated in section 7E.5; the office of the governor; and the office of an elective constitutional or statutory officer.

(2) The general assembly, or any office or unit under its administrative authority.

(3) The judicial branch, as provided in section 602.1102.

2. *a.* For personnel settlement agreements with an employee of the executive branch, excluding an employee of the state board of regents or institution under the control of the state board of regents, the personnel settlement agreement shall, to the extent consistent with any provision of an applicable collective bargaining agreement, be reviewed and approved as to form by the attorney general or by the attorney general's designee, and approved by the director of the department of management, the director of the department of administrative services, and the head of the agency involved with the matter at issue.

*b.* For personnel settlement agreements with an employee of the state board of regents or institution under the control of

1 the state board of regents, the personnel settlement agreement  
2 shall, to the extent consistent with any provision of an  
3 applicable collective bargaining agreement, be reviewed and  
4 approved as to form by the attorney general or by the attorney  
5 general's designee, and approved by the executive director of  
6 the state board of regents and the head of the institution  
7 involved with the matter at issue. Any costs or payments  
8 associated with the personnel settlement agreement shall be  
9 authorized by the state appeal board established in section  
10 24.26, and paid as a claim under chapter 25.

11 c. For personnel settlement agreements with an employee of  
12 the judicial branch, the personnel settlement agreement shall,  
13 to the extent consistent with any provision of an applicable  
14 collective bargaining agreement, be approved by the state court  
15 administrator.

16 d. For personnel settlement agreements with an employee  
17 of the general assembly, the personnel settlement agreement  
18 shall be approved by the legislative council or the appropriate  
19 committee of the senate or house of representatives.

20 e. For personnel settlement agreements with an employee  
21 subject to review and approval pursuant to the requirements of  
22 a collective bargaining agreement that are inconsistent with  
23 the requirements of this subsection, a report on the personnel  
24 settlement agreement shall be provided to those persons who  
25 would otherwise review or approve the personnel settlement  
26 agreement for that employee.

27 3. Personnel settlement agreements shall not contain any  
28 confidentiality or nondisclosure provision that attempts to  
29 prevent the disclosure of the personnel settlement agreement.  
30 A confidentiality or nondisclosure provision in a personnel  
31 settlement agreement is void and unenforceable.

32 4. All personnel settlement agreements shall be made easily  
33 accessible to the public on an internet site maintained as  
34 follows:

35 a. For personnel settlement agreements with an employee of

1 the executive branch, excluding an employee of the state board  
2 of regents or institution under the control of the state board  
3 of regents, by the department of administrative services.

4     *b.* For personnel settlement agreements with an employee of  
5 the state board of regents or institution under the control of  
6 the state board of regents, by the state board of regents.

7     *c.* For personnel settlement agreements with an employee of  
8 the judicial branch, by the judicial branch.

9     *d.* For personnel settlement agreements with an employee of  
10 the general assembly, by the general assembly.

11     Sec. 2. EFFECTIVE UPON ENACTMENT. This division of this  
12 Act, being deemed of immediate importance, takes effect upon  
13 enactment.

14                                   DIVISION II

15                   PERSONNEL SETTLEMENT AGREEMENTS EXAMINATION

16     Sec. 3. AUDITOR OF STATE EXAMINATION — PERSONNEL  
17 SETTLEMENT AGREEMENTS. The auditor of state shall expend  
18 such amount as is necessary for purposes of conducting an  
19 examination concerning personnel settlement agreements made by  
20 the state with terminated state employees since January 2011  
21 that were not approved by the state appeal board or decided by  
22 the public employment relations board. The examination shall  
23 include the nature of the positions subject to termination, the  
24 payments provided and the funding source of the payments, and  
25 the identity and authority of the person or persons signing  
26 the personnel settlement agreement on behalf of the state. A  
27 report on the results of the examination shall be submitted to  
28 the general assembly by December 1, 2014. The auditor of state  
29 shall be authorized to charge the department of administrative  
30 services for costs associated with the examination.

31     Sec. 4. EFFECTIVE UPON ENACTMENT. This division of this  
32 Act, being deemed of immediate importance, takes effect upon  
33 enactment.

34                                   DIVISION III

35                   SERVICE CONTRACTS

1     Sec. 5. Section 8.47, subsection 1, unnumbered paragraph 1,  
2 Code 2014, is amended to read as follows:

3     The department of administrative services, in cooperation  
4 with the office of attorney general and the department of  
5 management, shall adopt uniform terms and conditions for  
6 service contracts executed by a department or establishment  
7 benefiting from service contracts which terms and conditions  
8 shall be consistent with the contractual requirements of  
9 chapter 8F. The terms and conditions shall include but are not  
10 limited to all of the following:

11     Sec. 6. Section 8F.3, subsection 3, Code 2014, is amended  
12 to read as follows:

13     3. Prior to entering into a service contract with a  
14 recipient entity, the oversight agency shall ~~determine~~ do all  
15 of the following:

16     a. Determine whether the recipient entity can reasonably  
17 be expected to comply with the requirements of the service  
18 contract. If the oversight entity is unable to determine  
19 whether the recipient entity can reasonably be expected  
20 to comply with the requirements of the service contract,  
21 the oversight entity shall request such information from  
22 the recipient entity as described in subsection 1 to make  
23 a determination. If the oversight agency determines from  
24 the information provided that the recipient entity cannot  
25 reasonably be expected to comply with the requirements of the  
26 service contract, the oversight agency shall not enter into the  
27 service contract.

28     b. Perform a cost comparison establishing whether the  
29 contract costs from the proposed service contract are less  
30 than the costs of having the services provided by an agency.  
31 Contract costs shall include direct costs, including salaries  
32 and fringe benefits, indirect overhead costs, including the  
33 contractor's proportional share of existing administrative  
34 salaries and benefits, rent and equipment costs, utilities,  
35 and materials. Additionally, transition costs, including

1 unemployment compensation, shall be included in the analysis of  
2 contract costs. If the oversight agency determines from the  
3 information provided that the contract costs of the recipient  
4 entity are not less than the costs of having the services  
5 provided by an agency, the oversight agency shall not enter  
6 into the service contract.

7 c. If the proposed service contract may result in reduced  
8 public employment by an agency in an area, perform an  
9 economic impact analysis to consider the impact of the service  
10 contract on the possible loss of employment or income in the  
11 affected area, impact on social services to include public  
12 assistance programs, economic impact on local businesses, any  
13 possible changes in tax revenue for the affected area, and  
14 any environmental impacts that may result from the service  
15 contract.

16 Sec. 7. Section 8F.3, Code 2014, is amended by adding the  
17 following new subsection:

18 NEW SUBSECTION. 4. A service contract with a recipient  
19 entity shall include the following terms and conditions:

20 a. Specific performance criteria and cost parameters with  
21 termination provisions for failure to meet the performance  
22 criteria and cost parameters.

23 b. A requirement that the compensation paid to employees  
24 of a recipient entity pursuant to the service contract shall  
25 be comparable to the compensation paid to public employees  
26 performing similar work or the average private sector wage for  
27 similar work, whichever is less.

28 c. A provision prohibiting the automatic renewal of  
29 the terms of a service contract without complying with the  
30 requirements of this section prior to renewing the service  
31 contract.

32 d. A provision prohibiting the payment for services under  
33 the service contract regardless of whether the services are  
34 actually provided.

35 Sec. 8. Section 8F.4, Code 2014, is amended by adding the

1 following new subsection:

2     NEW SUBSECTION. 4. An oversight agency shall make  
3 information described in section 8F.3, subsection 3, paragraphs  
4 "b" and "c", and information required to be reported by a  
5 recipient agency pursuant to this section available to the  
6 public.

7     Sec. 9. Section 8G.3, subsection 3, paragraph a, Code 2014,  
8 is amended by adding the following new subparagraph:

9     NEW SUBPARAGRAPH. (10) A recipient entity as defined in  
10 section 8F.2.

11     Sec. 10. Section 8G.4, subsection 2, Code 2014, is amended  
12 by adding the following new paragraph:

13     NEW PARAGRAPH. *0j.* Information required to be provided  
14 pursuant to chapter 8F.

15                                   DIVISION IV

16                                 STATE EMPLOYMENT HIRING PROCEDURES

17     Sec. 11. NEW SECTION. 70A.21 State employment —  
18 **designation of ineligibility procedures — penalty.**

19     1. A board, commission, agency, or department of the state  
20 that seeks to designate an individual as ineligible to apply  
21 for; to be considered, referred, or approved for; or to be  
22 appointed to employment by the state or any of its boards,  
23 commissions, agencies, or departments, shall do all of the  
24 following:

25     a. Maintain documentation of the designation of  
26 ineligibility, to include signatures from the individual's  
27 immediate supervisor and the applicable head of the board,  
28 commission, agency, or department, the extent of the  
29 individual's ineligibility for state employment, proof of  
30 notification of the individual, and any information concerning  
31 any appeals regarding the designation.

32     b. Notify the individual prior to or within ten days of  
33 discharge of the designation of ineligibility and the extent  
34 of the individual's ineligibility for state employment. The  
35 notification shall include information on the process for an

1 individual to appeal, remove, or modify the designation of  
2 ineligibility.

3     2. Each board, commission, agency, or department of the  
4 state shall establish a process for an individual to appeal,  
5 remove, or modify a designation of ineligibility. Following  
6 a final determination by the board, commission, agency or  
7 department within the executive branch of the state relative  
8 to an appeal or attempt to remove or modify a designation of  
9 ineligibility by an individual, the individual may appeal to  
10 the public employment relations board created in section 20.5,  
11 for individuals subject to the jurisdiction of the board, and  
12 to an administrative law judge employed by the department of  
13 inspections and appeals, for all other individuals.

14     Sec. 12. NEW SECTION.   **70A.22 State employee hiring**  
15 **requirements.**

16     An employer of state employees shall establish procedures  
17 providing for the hiring of employees by the employer. The  
18 procedures shall provide for the public announcement of  
19 vacancies of the employer at least ten days in advance of the  
20 date fixed for the filing of applications for the vacancies  
21 and for the advertisement of the vacancies through the  
22 communications media.

23                                   DIVISION V

24                                   STATE EMPLOYEE BONUSES

25     Sec. 13. NEW SECTION.   **22.13B Executive branch bonuses —**  
26 **disclosure.**

27     1. For purposes of this section:

28     *a. "Bonus pay"* means any additional remuneration in an  
29 amount exceeding two hundred dollars provided an employee in  
30 the form of a bonus, including but not limited to a retention  
31 bonus, recruitment bonus, exceptional job performance pay,  
32 extraordinary job performance pay, exceptional performance pay,  
33 extraordinary duty pay, or extraordinary or special duty pay,  
34 and any extra benefit not otherwise provided to other similarly  
35 situated employees.



1     *b. "Executive branch employee"* means an employee of the  
2 executive branch of state government, which includes any  
3 unit of state government, including but not limited to an  
4 authority, board, commission, committee, council, department,  
5 or independent agency as defined in section 7E.4, and each  
6 principal central department enumerated in section 7E.5;  
7 the office of the governor; and the office of an elective  
8 constitutional or statutory officer.

9     2. A decision to provide bonus pay to an executive branch  
10 employee, including the amount paid and the documented reasons  
11 and rationale for the bonus paid, shall be a public record.

12     3. All decisions to provide bonus pay to an executive branch  
13 employee, including information described in subsection 2,  
14 shall be made easily accessible to the public on an internet  
15 site maintained as follows:

16     *a.* For decisions to provide bonus pay to an employee of the  
17 executive branch, excluding an employee of the state board of  
18 regents or institution under the control of the state board of  
19 regents, by the department of administrative services.

20     *b.* For decisions to provide bonus pay to an employee of the  
21 state board of regents or institution under the control of the  
22 state board of regents, by the state board of regents.

23                                 DIVISION VI

24                                 WHISTLEBLOWER PROTECTION

25     Sec. 14. Section 8A.417, subsection 4, Code 2014, is amended  
26 by striking the subsection and inserting in lieu thereof the  
27 following:

28     4. *a.* For purposes of this subsection, *"a disclosure of*  
29 *information permitted by this section"* includes any of the  
30 following:

31         (1) A disclosure of any information by the employee to a  
32 member or employee of the general assembly if the information  
33 can be used by the member or employee of the general assembly  
34 in the performance of the member's or employee's duties,  
35 regardless of whether the member or employee requested the

1 information.

2 (2) A disclosure of information to any person if the  
3 employee reasonably believes the information evidences a  
4 violation of law or rule, mismanagement, a gross abuse of  
5 funds, an abuse of authority, or a substantial and specific  
6 danger to public health or safety.

7 b. A person shall not do any of the following as a  
8 reprisal against an employee in a position in a merit system  
9 administered by, or subject to approval of, the director, who  
10 makes a disclosure of information permitted by this section  
11 or who fails to inform the person that the employee made a  
12 disclosure of information permitted by this section:

13 (1) Discharge, suspend, or demote the employee, or take any  
14 other adverse employment action resulting in a reduction of the  
15 employee's pay.

16 (2) Fail to appoint or promote the employee to a position in  
17 the merit system or fail to take action regarding an advantage  
18 to the employee.

19 c. However, an employee may be required to inform the  
20 person that the employee made a disclosure of information  
21 permitted by this section if the employee represented that  
22 the disclosure was the official position of the employee's  
23 immediate supervisor or employer.

24 d. An employer subject to the requirements of this  
25 subsection shall inform the employer's employees on a regular  
26 basis of their rights to disclose information as provided in  
27 this subsection.

28 e. This subsection does not apply if the disclosure of the  
29 information is prohibited by statute.

30 Sec. 15. Section 8F.3, subsection 1, paragraph d, Code 2014,  
31 is amended to read as follows:

32 d. Information regarding any policies adopted by the  
33 governing body of the recipient entity that ensure compliance  
34 with section 70A.29 and that prohibit taking adverse employment  
35 action against employees of the recipient entity who disclose

1 information about a service contract to the oversight agency,  
2 the auditor of state, the office of the attorney general, or  
3 the office of ombudsman ~~and that state whether those policies~~  
4 ~~are substantially similar to the protection provided to state~~  
5 ~~employees under section 70A.28.~~ The information provided shall  
6 state whether employees of the recipient entity are informed  
7 on a regular basis of their rights pursuant to section 70A.29  
8 and of their rights to disclose information to the oversight  
9 agency, the office of ombudsman, the auditor of state, or the  
10 office of the attorney general and the telephone numbers of  
11 those organizations.

12 Sec. 16. Section 70A.28, subsection 1, Code 2014, is amended  
13 to read as follows:

14 1. A person who serves as the head of a state department or  
15 agency or otherwise serves in a supervisory capacity within the  
16 executive or legislative branch of state government shall not  
17 prohibit an employee of the state from making a disclosure of  
18 information permitted by this section or require an employee  
19 of the state to inform the person that the employee made  
20 a disclosure of information permitted by this section ~~and~~  
21 ~~shall not prohibit an employee of the state from disclosing~~  
22 ~~any information to a member or employee of the general~~  
23 ~~assembly or from disclosing information to any other public~~  
24 ~~official or law enforcement agency if the employee reasonably~~  
25 ~~believes the information evidences a violation of law or rule,~~  
26 ~~mismanagement, a gross abuse of funds, an abuse of authority,~~  
27 ~~or a substantial and specific danger to public health or~~  
28 ~~safety.~~ However, an employee may be required to inform the  
29 person that the employee made a disclosure of information  
30 permitted by this section if the employee represented that  
31 the disclosure was the official position of the employee's  
32 immediate supervisor or employer.

33 Sec. 17. Section 70A.28, subsection 2, Code 2014, is amended  
34 by striking the subsection and inserting in lieu thereof the  
35 following:

1     2. *a.* A person shall not do any of the following as  
2 a reprisal against an employee in a position in a state  
3 employment system administered by, or subject to approval of, a  
4 state agency, who makes a disclosure of information permitted  
5 by this section or who fails to inform the person that the  
6 employee made a disclosure of information permitted by this  
7 section:

8     (1) Discharge, suspend, or demote the employee, or take any  
9 other adverse employment action resulting in a reduction of the  
10 employee's pay.

11     (2) Fail to appoint or promote the employee to a position in  
12 the state employment system or fail to take action regarding  
13 an advantage to the employee.

14     *b.* However, an employee may be required to inform the  
15 person that the employee made a disclosure of information  
16 permitted by this section if the employee represented that  
17 the disclosure was the official position of the employee's  
18 immediate supervisor or employer.

19     Sec. 18. Section 70A.28, Code 2014, is amended by adding the  
20 following new subsection:

21     NEW SUBSECTION. 2A. For purposes of this section, "*a*  
22 *disclosure of information permitted by this section*" includes any  
23 of the following:

24     *a.* A disclosure of any information by the employee to a  
25 member or employee of the general assembly if the information  
26 can be used by the member or employee of the general assembly  
27 in the performance of the member's or employee's duties,  
28 regardless of whether the member or employee requested the  
29 information.

30     *b.* A disclosure of information to any person if the employee  
31 reasonably believes the information evidences a violation of  
32 law or rule, mismanagement, a gross abuse of funds, an abuse  
33 of authority, or a substantial and specific danger to public  
34 health or safety.

35     Sec. 19. Section 70A.28, subsection 5, paragraph a, Code

1 2014, is amended to read as follows:

2     *a.* A person who violates subsection 2 is liable to  
3 an aggrieved employee for affirmative relief including  
4 reinstatement, with or without back pay, actual damages, or any  
5 other equitable relief the court deems appropriate, including  
6 attorney fees and costs.

7     Sec. 20. Section 70A.29, Code 2014, is amended by adding the  
8 following new subsection:

9     NEW SUBSECTION. 01. For purposes of this section, unless  
10 the context otherwise requires:

11     *a.* *"Disclosure of information permitted by this section"*  
12 includes any of the following:

13         (1) A disclosure of any information by the employee to a  
14 member or employee of the general assembly if the information  
15 can be used by the member or employee of the general assembly  
16 in the performance of the member's or employee's duties,  
17 regardless of whether the member or employee requested the  
18 information.

19         (2) A disclosure of information to any person if the  
20 employee reasonably believes the information evidences a  
21 violation of law or rule, mismanagement, a gross abuse of  
22 funds, an abuse of authority, or a substantial and specific  
23 danger to public health or safety.

24     *b.* *"Eligible employer"* means any of the following:

25         (1) A political subdivision of this state.

26         (2) An entity organized under chapter 28E.

27         (3) A recipient entity as defined in section 8F.2.

28     Sec. 21. Section 70A.29, subsection 1, Code 2014, is amended  
29 by striking the subsection and inserting in lieu thereof the  
30 following:

31     1. *a.* A person shall not do any of the following as a  
32 reprisal against an employee in a position in employment by an  
33 eligible employer for a disclosure of information permitted by  
34 this section:

35         (1) Discharge, suspend, or demote the employee, or take any

1 other adverse employment action resulting in a reduction of the  
2 employee's pay.

3 (2) Fail to appoint or promote the employee to a position in  
4 the employment or fail to take action regarding an advantage to  
5 the employee.

6 b. This section does not apply if the disclosure of the  
7 information is prohibited by statute.

8 Sec. 22. Section 70A.29, subsection 3, paragraph a, Code  
9 2014, is amended to read as follows:

10 a. A person who violates subsection 1 is liable to  
11 an aggrieved employee for affirmative relief including  
12 reinstatement, with or without back pay, actual damages, or any  
13 other equitable relief the court deems appropriate, including  
14 attorney fees and costs.

15 Sec. 23. Section 70A.29, Code 2014, is amended by adding the  
16 following new subsection:

17 NEW SUBSECTION. 4. An eligible employer subject to the  
18 requirements of this section shall inform the employer's  
19 employees on a regular basis of their rights to disclose  
20 information as provided in this section.

21 DIVISION VII

22 VERTICAL INFRASTRUCTURE ADVISORY COMMITTEE

23 Sec. 24. NEW SECTION. 8.57G Vertical infrastructure  
24 advisory committee.

25 1. A vertical infrastructure advisory committee is  
26 established consisting of seven members, appointed by the  
27 governor, and subject to confirmation by the senate pursuant  
28 to section 2.32. Committee members shall be appointed in  
29 compliance with sections 69.16, 69.16A, and 69.16C. Committee  
30 members shall reside in this state.

31 2. The members of the committee shall serve for staggered  
32 three-year terms which shall begin and end pursuant to section  
33 69.19. Members appointed shall continue to serve until  
34 their respective successors are appointed. Vacancies in the  
35 membership of the committee shall be filled by the governor.

1 Members shall receive actual expenses incurred while serving  
2 in their official capacity. Members may also be eligible to  
3 receive compensation as provided in section 7E.6. The governor  
4 shall designate the chairperson of the committee.

5 3. The department of management and the department of  
6 administrative services shall provide staff assistance and  
7 support services to the committee.

8 4. The committee shall have the following duties:

9 a. Oversee the inventory and assessment of the vertical  
10 infrastructure owned or under the control of the state.

11 b. Develop and recommend methods for identifying,  
12 evaluating, and prioritizing infrastructure needs.

13 c. Annually develop and submit to the governor and the  
14 general assembly no later than December 15 of each year,  
15 comprehensive five-year plans of recommendations, including  
16 suggested lists of priority projects. The priority listing  
17 of projects shall be developed to assist the governor in  
18 establishing a priority listing of priority projects to be  
19 submitted to the general assembly pursuant to section 8.22.  
20 Recommendations shall include the level of funding necessary  
21 to complete each project recommended and a timetable for  
22 completion of the project if the project is anticipated to  
23 require more than one year to complete.

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with  
26 the explanation's substance by the members of the general assembly.

27 This bill concerns government accountability and employment  
28 practices.

29 PERSONNEL SETTLEMENT AGREEMENTS. This division of the  
30 bill concerns personnel settlement agreements. New Code  
31 section 70A.35 provides that personnel settlement agreements  
32 between the state and an employee of the state shall be  
33 subject to review and approval of the attorney general and the  
34 applicable employer, shall not contain any confidentiality or  
35 nondisclosure provisions that attempt to prevent the disclosure

1 of the personnel settlement agreement and any such provisions  
2 shall be void and unenforceable, and shall be made available  
3 to the public on an internet site. New Code section 70A.35  
4 is applicable to employees of the executive, legislative, and  
5 judicial branches of state government and defines a personnel  
6 settlement agreement as a binding legal agreement between a  
7 state employee and the state employee's employer relating to  
8 settlement agreements to resolve a personnel dispute including  
9 but not limited to certain grievances. The bill provides  
10 for the posting of the personnel settlement agreements on an  
11 internet site, by the applicable employer of the employee  
12 covered. These provisions of this division of this bill take  
13 effect upon enactment.

14 PERSONNEL SETTLEMENT AGREEMENTS EXAMINATION. This  
15 division of the bill requires the auditor of state conduct  
16 an examination of the personnel settlement agreements made  
17 with terminated state employees since January 2011. Costs  
18 associated with the examination shall be charged to the  
19 department of administrative services. A report on the results  
20 of the examination shall be submitted to the general assembly  
21 by December 1, 2014.

22 SERVICE CONTRACTS. This division of the bill concerns  
23 service contracts entered into by a government entity.

24 Code section 8.47, concerning service contracts entered into  
25 by a state executive branch department, is amended to provide  
26 that the standard terms and conditions of a service contract  
27 shall be consistent with the contractual requirements of Code  
28 chapter 8F.

29 Code chapter 8F, establishing accountability requirements  
30 for certain service contracts, is amended. "Service contract"  
31 is defined by the Code chapter as a contract between a  
32 government entity, called an oversight agency, and a private  
33 or other intergovernmental entity, called a recipient entity,  
34 where federal or state moneys are involved for a service or  
35 services when the predominant factor, thrust, and purpose of



1 the contract as reasonably stated is for the provision of  
2 services.

3 Code section 8F.3, subsection 3, concerning contractual  
4 requirements for service contracts, is amended to require an  
5 oversight agency to perform a cost comparison and an economic  
6 impact analysis prior to entering into a service contract.  
7 The cost comparison requires a determination that a service  
8 contract will result in lower contract costs than having the  
9 services provided by state government. The economic impact  
10 analysis concerns a determination of the impact on employment,  
11 economic activity, and public assistance if public employment  
12 in a particular area is reduced pursuant to a service contract.

13 Code section 8F.3 is further amended to require a service  
14 contract to include performance criteria, provisions governing  
15 compensation paid to employees of a recipient entity,  
16 provisions prohibiting automatic renewal of a service contract,  
17 and provisions prohibiting payment regardless of whether the  
18 services are actually provided.

19 Code section 8F.4, concerning reporting requirements,  
20 is amended to require an oversight agency to make certain  
21 information described in Code section 8F.3, subsection 3, and  
22 information required to be reported by a recipient agency  
23 pursuant to this Code section available to the public.

24 Code chapter 8G, establishing the taxpayer transparency  
25 Act, is amended to specifically include recipient entities,  
26 as defined in Code chapter 8F, within the definition of  
27 "entity" for purposes of the Code chapter. Code section  
28 8G.4, concerning the creation of a searchable budget database  
29 internet site, is amended to require that information required  
30 to be provided pursuant to Code chapter 8F be included on the  
31 site.

32 STATE EMPLOYMENT HIRING PROCEDURES. This division of the  
33 bill concerns state employment hiring procedures. New Code  
34 section 70A.21 establishes procedures for state departments,  
35 boards, agencies, and commissions for designating an individual

1 as ineligible to apply for state employment. The Code section  
2 requires the applicable employer to document the determination  
3 and provide notice within 10 days of the individual's discharge  
4 from state employment of the designation and the right of the  
5 individual to appeal the determination. The bill requires  
6 state executive branch employers to establish procedures for  
7 appealing designations of ineligibility for state employment  
8 with an appeal to the public employment relations board for  
9 individuals subject to the jurisdiction of the board, and to  
10 an administrative law judge employed by the department of  
11 inspections and appeals, for all other individuals.

12 New Code section 70A.22 requires an employer of state  
13 employees to establish procedures providing for the hiring of  
14 employees by the employer. The procedures shall provide for  
15 public announcement and advertisement of vacancies.

16 STATE EMPLOYEE BONUSES. This division of the bill concerns  
17 executive branch bonuses. New Code section 22.13B requires  
18 that information concerning bonus pay award to an executive  
19 branch employee in an amount over \$200, including the name of  
20 the employee, the amount paid and the reasons for the bonus,  
21 shall be made easily accessible to the public on an internet  
22 site.

23 WHISTLEBLOWER PROTECTION. This division of the bill  
24 concerns whistleblower protection. Code sections 8A.417  
25 and 70A.28 are amended to allow disclosure of information  
26 by a state employee to any person, and not just to a public  
27 official or law enforcement agency, if the employee believes  
28 the information evidences a violation of law, mismanagement, a  
29 gross abuse of funds, an abuse of authority, or a substantial  
30 and specific danger to public health or safety. The Code  
31 sections are amended to also prohibit action by the employer  
32 to discharge, suspend, demote, or take any other adverse  
33 employment action resulting in a reduction of pay of an  
34 employee making a disclosure pursuant to the Code sections.  
35 Code section 8A.417 is also amended to require applicable

1 employers to inform their employees of their rights concerning  
2 disclosures. Code section 70A.28 is further amended to provide  
3 that actual damages may be awarded in an action seeking relief  
4 for a violation of the disclosure provisions of that Code  
5 section.

6 Code section 70A.29, concerning disclosures of information  
7 by an employee of a political subdivision, is amended to  
8 include employees of an entity created under Code chapter 28E  
9 and an intergovernmental entity or a private agency that enters  
10 into a service contract with an oversight agency to provide  
11 services which will be paid for with local governmental,  
12 state, or federal moneys, that is a recipient entity under  
13 Code chapter 8F governing service contracts. The Code section  
14 is also amended to allow disclosure of information by an  
15 applicable employee to any person, and not just to a public  
16 official or law enforcement agency, if the employee believes  
17 the information evidences a violation of law, mismanagement, a  
18 gross abuse of funds, an abuse of authority, or a substantial  
19 and specific danger to public health or safety. The Code  
20 section is also amended to prohibit action by an eligible  
21 employer to discharge, suspend, demote, or take any other  
22 adverse employment action resulting in a reduction of pay of an  
23 employee making a disclosure pursuant to the Code section, to  
24 provide that actual damages may be awarded in an action seeking  
25 relief for a violation of the disclosure provisions of the Code  
26 section, and to require eligible employers to inform their  
27 employees of their rights concerning disclosures. Code section  
28 8F.3 is amended to reflect that employees of a recipient  
29 entity under this Code chapter are subject to the disclosure  
30 provisions of Code section 70A.29.

31 VERTICAL INFRASTRUCTURE ADVISORY COMMITTEE. This division  
32 of the bill establishes a vertical infrastructure advisory  
33 committee consisting of seven members. The division provides  
34 that the duties of the committee are to oversee the inventory  
35 and assessment of the vertical infrastructure of the state,

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1 develop and recommend methods for identifying, evaluating, and  
2 prioritizing infrastructure needs, and annually develop and  
3 submit to the governor and the general assembly comprehensive  
4 five-year plans of recommendations, including suggested lists  
5 of priority projects.